

## OCPF Online

www.state.ma.us/ocpf
Office of Campaign and Political Finance
One Ashburton Place, Room 411
Boston, MA 02108

## **Advisory Opinion**

April 12, 2002 AO-02-14

Susan Thomson, Executive Director Massachusetts Democratic Party 10 Granite Street Quincy, MA 02169

Re: Souvenir tote bag offer

Dear Ms. Thomson:

This letter is in response to your April 3, 2002 letter, requesting an opinion regarding an offer made by C-SPAN to provide souvenir tote bags to the delegates and alternates attending the Democratic Convention this year.

One side of the tote bag will be printed with C-SPAN's corporate logo; on the other side, C-SPAN proposes to have printed the phrase, "Welcome to the Massachusetts Democratic 2002 Convention." The tote bags will be shipped directly to the Worcester Centrum and will be distributed by volunteers to attending convention delegates and alternates.

It is your understanding that C-SPAN has provided delegates and alternates with similar tote bags, for the purpose of advertising C-SPAN, at other political conventions, including the 2002 Republican Massachusetts convention and the 2000 Democratic national convention. In addition, C-SPAN distributes such bags at political conventions in numerous other states, including both Democratic and Republican conventions. When tote bags are distributed at these conventions, the bags generally display the C-SPAN logo, and also either the political party's logo or a phrase welcoming delegates to a particular party's convention, together with the date and location of the convention.

## Question

May the Democratic State Party accept C-SPAN's offer?

<u>RESPONSE</u>: Yes. Section 8 of the campaign finance law prohibits business and professional corporations from making contributions or expenditures, or giving "any money or other valuable

thing" to aid any candidate or political party. Tote bags distributed for the purpose of advertising C-SPAN<sup>1</sup>, would not appear to be something given to aid a political party. The phrase welcoming delegates and alternates to the Democratic convention would not alter this conclusion where C-SPAN distributes similar tote bags at other conventions regardless of political party.

A political committee may enter into arms-length business relationships with corporations, which result in a benefit to the committee, without thereby violating section 8. For example, in AO-96-27, the office stated that a party committee could accept discount coupon books provided on consignment from a corporation, and distribute the books to contributors as an incentive to encourage contributions. The coupon books were provided in accordance with the generally accepted business practice of the corporation, the corporation did not change the terms and conditions it normally uses, and did not provide the books for the purpose of benefiting the committee. In these circumstances, we stated in that opinion that the transaction did not involve a contribution to the party because the books were not provided "for the purpose of influencing the nomination or election of an individual or candidate" and the books would be provided on the same terms and conditions to any other customer. See also Opinion of the Attorney General, November 6, 1980 (stating that a corporation may allow a PAC to use its name, trademark or logo without compensation, but only to the extent that it would not prohibit such use by another individual or entity).

It would appear that C-SPAN would be providing the tote bags for the purpose of enhancing their advertising efforts, not to aid the Democratic Party. Therefore, C-SPAN may give the tote bags to delegates and alternates without violating the campaign finance law.

This opinion is issued within the context of the Massachusetts campaign finance law and is provided solely on the basis of representations in your letter and your conversations with OCPF staff.

Please contact us if you have further questions.

Sincerely,

Michael J. Sullivan

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Director

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<sup>&</sup>lt;sup>1</sup> C-SPAN, according to its website, is a private, non-profit company. Fees paid by cable and satellite affiliates who carry C-SPAN programming, fund its operations. C-SPAN's affiliates include business corporations. Therefore, if C-SPAN were to use its funds to influence candidate elections in Massachusetts it would be subject to the campaign finance law's prohibition on the receipt of corporate contributions. See AO-90-30 (a chamber of commerce is subject to limitations on use of corporate funds because it receives funds from business corporations).